

2071419688

Ask me
about
the
Virginia
Slims
5
pack

Tues. meet w/Andrew

VIRGINIA SLIMS 5 PACK

Talk to Bob - dig my analysis

SITUATION

Convenience Store News reports that 46% of C-store customers are female.

53% of the Greenville Market population is female.

The Greenville District is recognized as a target market for Virginia Slims sales development.

Virginia Slims is the largest selling cigarette especially made for women.

2071419689

RATIONALE

- **Gain incremental sales and profitable volume for Philip Morris and the retailer.**
- **Offer consumers an alternative way to purchase Virginia Slims at an appealing price.**
- **Conveniently packaged for account inventory control**
- **Attractively packaged for consumer awareness**

2071419690

GOALS

Share ↑ paid, & non paid. ~~Send list to Cammie~~ * Send list to Cammie
Net contribution

50-150 .1-
151-300 .1-4
300+ 3

**Penetration - 80% of pack outlets
with 95% of packings in
distribution** 40%

**Monthly sales increase of 24,908
cartons (average of 26 CPM per
outlet)**

**Leadership pricing - effectively
priced below 5 times the regular
pack price**

**Availability/Visibility - effectively merchandise
and advertise the Virginia Slims 5 pack for
consumer awareness**

2071419691

11 wks. = .12 avg.

#stores-475 (1/2)

1st a 2.8
2nd 2.9

Monthly Projected Sales By Packing

	# OF 6M CASES	% OF PKGS	6 MTH. TOTAL
FF REG.	166	20%	28,740
FF MEN.	166	20%	28,740
LT REG.	208	25%	40,236
LT MEN.	208	25%	40,236
ULT REG.	41	5%	5,748
ULT MEN.	41	5%	5,748
TOTAL	830	100%	149,448

*Carton projection based on 80% penetration of District C-stores.

2071419692

SUGGESTED SELL-IN

	50-150 CPW	151-300 CPW	300+CPW
LT REG.	2	4	6
LT MEN.	2	4	6
FF REG.	2	3	5
FF MEN.	2	3	5
ULT REG.	1	1	1
ULT MEN.	1	1	1
TOTAL CTNS.	10	16	24

*CPW=TOTAL STORE CPW

2071419693

ADVERTISING AND P.O.S. (WISH LIST)

ITEM	QTY.	POS#	CPI	TOT COST
VS defense poster	20,000	71684	.25	\$5,000
B Headers	6,000		.40	\$2,400
Strips	1500	76664	.20	\$3,000
Pricing Banners:				
3X5	1,200		\$7.98	\$9,576
3X9	1,800		\$15.00	\$27,000
Static Clings	2,000		\$3.00	\$6,000
Starburst	12,000		.40	\$4,800
Danglers	5,000		.50	\$2,500
Change Mats	5,000		\$4.00	\$20,000
T-Shirts	2,000		\$5.00	\$10,000
Buttons	3,000		\$1.00	\$3,000
TOTAL				\$93,276

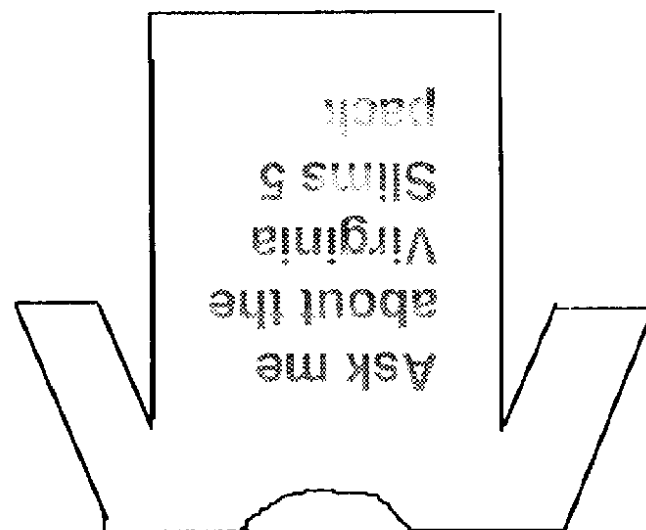
2071419694

ADVERTISING AND P.O.S.

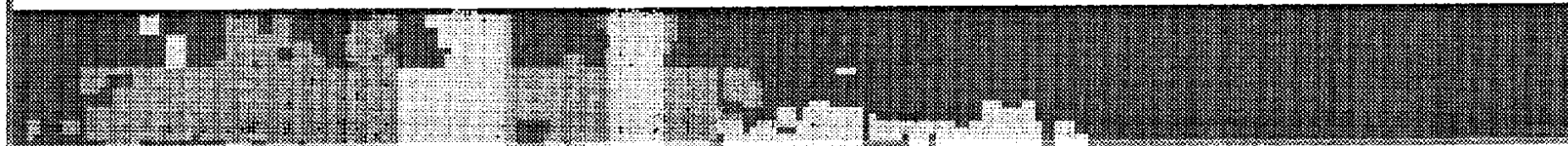
ITEM	QTY.	POS#	CPI	TOT COST
VS defense poster	20,000	71684	.25	\$5,000
B Headers	6,000		.40	\$2,400
Strips	1500	76664	.20	\$3,000
Pricing Banners:				
3X5	1,200		\$7.98	\$9,576
3X9	1,800		\$15.00	\$27,000
Starburst	12,000		.40	\$4,800
Change Mats*	5,000		\$4.00	\$20,000
TOTAL				\$71,776

*CPI reduces to \$1.10 with production of 100,000 for National test

2071419695



PLUS SELLING T-Shirts & Buttons



MERCHANDISING

Projected Needs:

4x4 5 pack display - 220

6x6 5 pack display - 140

Bases - 175

Counter display shelves:

6 wide - 35

10 wide - 140

**CF promotional displays with customized 5 pack
spring load trays.**

Additional CF units - 114

Additional 5 pack spring load trays - 2340

2071419697

CF Unit- Needs/ Modification/ Logostics

- **Survey Results from District 75**
 - **162 CF's in the field need to be converted.(972)**
 - **114 CF's are needed in the field.(1368)**
 - **Total Trays needed from Display Systems(2340)@\$16,707.60**

2071419698

Modification Requirements

- Existing CF's can be converted by TSM's(Trays Shipped Out Of Warehouse)
- New CF's will need to be modified in the warehouse by TPI workforce & delivered or shipped. (2 men @ 2 weeks labor to convert)
- Enough CF's are in the section allocation to complete the order from 94 Budget

2071419699

MONITORING TEST RESULTS

SFA Survey Questions:

1. Is VS 5 pack in distribution?

Answer yes if all packings are in distribution.

2. Is VS 5 pack displayed?

Answer yes if ANY display is utilized to merchandise VS 5 pack in a highly visible SS or NSS location.

3. Is Leadership Pricing present?

Answer yes if the VS 5 pack is priced lower than 5 times the regular pack price.

4. Is P.O.S. present?

Is P.O.S. strategically placed to increase consumer awareness.

2071419700

Projected Profit Dollars

\$4.05
x 149,228
\$605,264.40

Net contribution/carton on VS 5packs
Projected carton sales
Projected sales dollars

- \$61,357
- \$93,276

Total cost of development
Advertising cost

\$458,631.40 **Profit dollars**

2071419701